
Higher Education Committee

HB 2021

Brief Description: Revitalizing student financial aid.

Sponsors: Representatives Kenney, Probst, Wallace, Sullivan, Priest, Maxwell, Chase, Ormsby, Hudgins, Jacks, Lias, White, Sells, Morrell, Kelley, Darneille, Wood and Roberts.

Brief Summary of Bill

- Requires institutions and the Higher Education Coordinating Board to label all forms of student financial assistance as an Opportunity Grant.
- Changes the Washington Scholars award from a four-year award to a two-year award.
- Phases out the Washington Award for Vocational Excellence and the Educational Opportunity grant programs over a two year period.
- Creates a new grant, within the State Need Grant program, which provides grants for placebound students who have earned an associate degree.
- Allows institutions to use institutional aid monies for students enrolled in dual credit programs.
- Restricts eligibility for the State Work Study program to Washington residents.
- Creates a competitive grant process within the State Work Study program to encourage more placements in high demand fields.

Hearing Date: 2/11/09

Staff: Andi Smith (786-7304)

Background:

State Work Study Program

The State Work Study Program (SWS) program provides part-time work opportunities to needy students, enabling them to earn money for college often while gaining experience in jobs related

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

to their career goals. The SWS program also provides students with an alternative to high levels of borrowing. The state's two- and four-year colleges and universities, and many accredited independent four-year colleges and universities, offer this form of financial assistance to eligible students.

Washington Award for Vocational Excellence

The Washington Award for Vocational Excellence is one of two statewide merit-based programs and honors three vocational students from each of the state's 49 legislative districts, for outstanding achievement in vocational-technical education. Recipients receive grants for up to two years of undergraduate resident tuition. Students can use the grants at public two-year and four-year colleges and universities, and accredited independent colleges, universities, and licensed career schools in Washington.

Washington Scholars Program

The Washington Scholars is also a merit-based program and recognizes the accomplishments of three high school seniors from each of the state's 49 legislative districts. Students receive state scholarships for up to four years of public resident undergraduate tuition and fees. The scholarships can be used at any Washington public or independent college or university.

Educational Opportunity Grant

The Educational Opportunity Grant (EOG) program provides \$2,500 grants to encourage financially needy students to complete a bachelor's degree. Students must be Washington residents, have already earned an associate of arts or sciences degree, and be "placebound." To be considered placebound, students must be unable to continue their education – without the assistance of this grant – because of family or work commitments, health concerns, financial need, or other similar factor.

Summary of Bill:

Rebranding

1. Directs all public institutions of higher education to label the state subsidy per student, as an "Opportunity Grant" on the tuition billing statement.
2. Directs all public institutions of higher education to label all types of financial aid as an "Opportunity Grant" on the tuition billing statement or the financial aid award letter.
 - This includes aid from all sources including federal, state, and local governments, local communities, nonprofit and for-profit organizations, and institutions of higher education.
3. Institutions retain the ability to customize their tuition billing statements and financial aid award letters to differentiate between programs and provide the clearest information to students.

Program Consolidation

1. Phases out the Educational Opportunity Grant (EOG) program over a period of two years.
 - Allows no new awards but holds current recipients harmless.
 - Subject to the budget decisions, moves EOG funding into the State Need Grant.
 - Removes the program from statute, effective August 1, 2011.
2. Provides State Need Grants for placebound students who have earned an associate degree, subject to appropriations specific to this group of students.

3. Changes the Washington Scholars Program into a two-year award.
 - Current Washington Scholars or Washington Scholar alternates still get their four-year award.
 - Subject to budget decisions, moves the saved funds to the State Work Study (SWS) program.
4. Phases out the Washington Award for Vocational Excellence (WAVE) over two years.
 - Allows no new awards but holds current recipients harmless.
 - Subject to budget decisions, moves funding for the WAVE program into the State Need Grant.
 - Removes the program from statute, effective August 1, 2011.

Outreach

1. Directs the Higher Education Coordinating Board (HECB) to label all student financial assistance programs that they oversee as an "Opportunity Grant."
 - This includes all printed materials, presentations, and web content.
 - If a web-portal is created that provides a "one stop shop" for college-going information, all financial aid must be listed underneath the "opportunity grant" label.
2. The HECB retains the ability to customize the display to differentiate between various loan programs.

Changes to the State Work Study Program

1. Restricts program eligibility to Washington state residents.
 - Holds current nonresident recipients harmless and gives them five years of eligibility for the program.
2. Directs the HECB to award competitive grants to colleges and universities that develop partnerships with local firms.
 - The firms must offer a job placement in a high demand field for at least one academic term and high demand can be determined for the state or a sub-state region.
 - Funding can be used for wages and program administration.

Institutional Aid for Dual Credit Programs

- Allows colleges and universities to use their institutional aid funds for students in dual credit programs.

Appropriation: None.

Fiscal Note: Requested on February 9, 2009.

Effective Date: The bill contains multiple effective dates.